IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF:)			
CIRCLE K MANUFACTURING, INC., d/b/a INDUSTRIAL TOTE SOLUTION				
,,)	CASE	NO.	BK05-41559
Debtor(s).)			A05-4023
CUSTOM METALCRAFT, INC.,)			
a Missouri corporation,)			8:05CV129
Plaintiff,)			
Vs.)		CH.	7
CIRCLE K MANUFACTURING, INC.,)			
a Nebraska corporation;)			
INDUSTRIAL TOTE SOLUTIONS, a)			
Nebraska corporation; RANDY)			
VOGT; and KATHLEEN VOGT,)			
)			
Defendants.)			

REPORT & RECOMMENDATION

This adversary proceeding is a civil case in the United States District Court, referred to this court because one of the defendants filed bankruptcy during the pendency of the lawsuit. Having reviewed the status reports submitted by the parties and by the Chapter 7 trustee, I find that the action should be stayed as against the debtor, but it may proceed in the district court as against the individual defendants.

I therefore respectfully recommend to the United States District Court for the District of Nebraska that it withdraw the reference of this adversary proceeding to proceed with the litigation against the individual defendants while staying the litigation as to the debtor.

The Clerk of the Bankruptcy Court shall process this recommendation pursuant to the local court rules.

DATED: June 13, 2005

RESPECTFULLY SUBMITTED,

/s/ Timothy J. Mahoney
Chief Judge

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Notice given by the Court to:

John Hahn Mike Leahy Rick Lange U.S. Trustee